

VZCZCXRO9171
OO RUEHROV
DE RUEHZP #0698 2611344
ZNR UUUUU ZZH
O 181344Z SEP 09
FM AMEMBASSY PANAMA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 3749
INFO RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE IMMEDIATE
RUEHBO/AMEMBASSY BOGOTA IMMEDIATE 2854
RUEHGT/AMEMBASSY GUATEMALA IMMEDIATE 0001
RUEHMU/AMEMBASSY MANAGUA IMMEDIATE 0656
RUEHME/AMEMBASSY MEXICO IMMEDIATE 3865
RUEHSJ/AMEMBASSY SAN JOSE IMMEDIATE 2052
RUEHSN/AMEMBASSY SAN SALVADOR IMMEDIATE 1585
RUEHTG/AMEMBASSY TEGUCIGALPA IMMEDIATE 0451
RUEHROV/AMEMBASSY VATICAN IMMEDIATE
RUEHIN/AIT TAIPEI IMMEDIATE 0128
RHEHAAA/NSC WASHDC IMMEDIATE
RHMFISS/CDR USSOUTHCOM MIAMI FL IMMEDIATE
RUEAIIA/CIA WASHDC IMMEDIATE

UNCLAS PANAMA 000698

SENSITIVE
SIPDIS

FOR WHA AND ISN/RA

E.O. 12958: N/A

TAGS: [PREL](#) [PGOV](#) [KNNP](#) [MNUC](#) [ECON](#) [HO](#) [AA](#) [IR](#) [PM](#)

SUBJECT: MARTINELLI AND VARELA STAND BEHIND SAN JOSE ACCORD

REF: STATE 95073

¶1. (SBU) At a September 16 breakfast meeting with Panamanian President Ricardo Martinelli and Vice President/Foreign Minister Juan Carlos Varela, WHA Principal Deputy Assistant Secretary Craig Kelly reviewed in detail the situation in Honduras, looking forward to the meeting between Costa Rican President Arias and the Honduran presidential candidates in San Jose later the same day. Martinelli fully backed the U.S. approach. He said the de facto regime had legitimate fears about Zelaya, but added "They shouldn't have done what they did." Martinelli agreed it was necessary to send a strong signal that this sort of change in government was unacceptable, saying, "This could happen to anyone, even me." He was in full agreement that the San Jose Accord was the best vehicle to do this.

¶2. (SBU) VP/FM Varela said one possible way forward was to have both parties sign the accord, but leave open the date of Zelaya's return. P/DAS Kelly stressed that ideally we would get Zelaya to return well before the election, to send the signal that we had corrected the unconstitutional change in government, and with controls in place to ensure the de facto government that Zelaya would not be able to create disturbances and undermine the electoral process. Martinelli and Varela both agreed the de facto regime had more assurances under the San Jose Accord than in going forward alone. P/DAS Kelly pointed out that by continuing the crisis, the de factos were playing into Venezuelan President Chavez's hands. Martinelli responded, "That's a very good point."

¶3. (SBU) Martinelli and Varela had returned from Italy on September 15, and said the Vatican seemed very strong in supporting the Cardinal in Tegucigalpa. Martinelli did not think the visa revocations were an effective tool, and only created resentment. Separately, Varela disagreed, saying he thought the visa revocations were motivating people in the regime to urge Micheletti to seek a solution. Varela told Kelly that he would follow up by reaching out to the de facto regime, arguing that they are better off with the San Jose Accord than without it. Varela and Kelly also agreed it was vital to involve the region's private sectors in seeking an enduring solution.

¶4. (SBU) P/DAS Kelly made a similar pitch and obtained a similar positive response with the American Chamber of

Commerce. Former AmCham president Urriola spoke for all when he said "We will support you" by carrying the message to business leaders in Honduras and throughout the region that the San Jose Accord is the best way forward. The business leaders voiced concern that Zelaya would not be a responsible actor and that Chavez would benefit from Zelaya,s return in the short run, but accepted that it would be worse to continue to have to discuss Honduras and to provide Chavez the opportunity to exploit the coup. Executive Director David Hunt said he greatly benefited from having a face-to-face conversation about the issue, and suggested using DVCs to increase the number of interactions between Washington officials and regional AmChams on this subject.

Iran

15. (SBU) P/DAS Kelly encouraged Martinelli and Varela to press Iran, publicly and/or privately, to accept the P5 1 offer to meet and to fully cooperate with IAEA inspections. Martinelli said Panama would be supportive.

This message has been cleared by WHA P/DAS Kelly.
STEPHENSON